



South Carolina House of Representatives

Legislative Update

David H. Wilkins, Speaker of the House

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WEEK IN REVIEW

HOUSE

The House completed work on the 1997-98 General Appropriation Bill (H.3400), the Supplemental Appropriation Bill (H.3401), and the Capital Reserve bill (H.3402). A summary of the House's spending plan, prepared by the House Ways and Means Committee, is attached to this issue of the *Legislative Update*.

The House amended and gave third reading to H.3272 which revises the Consumer Protection Code as it pertains to penalties for violations of certain loan provisions, most notably, a creditor's failure to obtain the borrower's preference of legal counsel and insurance agent before the closing of a mortgage loan. The bill prohibits borrowers from filing class action suits on such violations and sets a time limit and other restrictions on pursuing individual causes of action. The bill sets new limits on amounts which may be recovered in individual suits, such that a debtor may recover actual damages and a penalty of one hundred to one thousand dollars. Greater court awards are authorized in suits where the court finds unconscionable conduct on the part of the creditor. Class actions pending as of the date when H.3272 received third reading in the House may proceed, but are subject to the new remedies provided by the bill.

The House gave second reading to two bills which bring South Carolina into compliance with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), popularly known as the "Kennedy-Kassebaum Bill." S.287 accommodates provisions in the HIPAA which guarantee health insurance portability for individuals moving from group to individual coverage. Under the HIPAA, insurers in the individual market must offer coverage and accept enrollment of any eligible individual whose most recent coverage has been in the group market. S.287 takes advantage of provisions in the HIPAA which allow states to avoid direct imposition of federal mandates by creating acceptable alternative mechanisms. S.287 alters South Carolina's existing Health Insurance Pool to make it such an acceptable alternative mechanism. To that end, the bill shortens residency requirements, removes the current exclusion of HIV positive individuals, provides health coverage options, increases benefit level to one million dollars, lowers the premium cap from 300% to 200%, and eliminates the provision which allows extra premium charges in cases where a pre-existing medical condition is waived. The House amended and gave second reading to S.288 which conforms state law to certain federal mandates in the HIPAA which must be put into effect no later than July 1, 1997, lest the Department of Insurance surrender certain regulatory authority of health insurance to federal agencies. The bill accomplishes the following: (1) limits the exclusion of pre-existing medical conditions from large and small group health insurance plans; (2) restricts an insurer's ability to establish eligibility rules for large and small group health insurance plans which are based upon such health status factors as disabilities, genetic information, history of domestic abuse, etc.; (3) guarantees availability of coverage in the small group market; (4) guarantees renewability of coverage in the large and small group markets and in multi-employer self-insured health plans;

(5) enacts provisions of the federal Newborns and Mothers Protection Act of 1996 which require health insurers who cover hospitalization and attendant professional services for mothers and newborns to provide at least forty-eight hours of postpartum care following the day of a natural delivery and at least ninety-six hours of postpartum care following the day of a Cesarean Section; (6) provides parity in the application of certain limits to mental health benefits.

The House gave second reading to several other measures. H.3404 eliminates the requirement that the Public Service Commission adopt procedures that encourage public utilities providing gas services to invest in cost-effective energy conservation programs. Under the bill, public utilities providing gas services are no longer required to prepare integrated resource plans. H.3103 authorizes any agency or any person who does an early periodic screening, diagnosis and treatment screening (EPSDT) or other physical examination of a child to refer the child to an appropriate agency for an evaluation if the child may be helped by assistive technology. "Assistive technology" means a service or device used to maintain or improve the functional capacities of an individual with a disability. H.3135 allows a photograph of fish, game, or wildlife to be used as competent evidence of the wildlife or fish in any proceeding. H.3155 makes it unlawful to buy, sell, or possess for sale any wildlife native to this state, unless specifically allowed by law.

SENATE

The Senate gave third reading and sent to the House S.392, which provides that candidates for public office who lose a primary are barred from serving if elected as a write-in candidate in the general election. H.3176, which concerns University of South Carolina net athletic revenue funds, was given second reading with notice of general amendments. The Senate also gave second reading, with notice of general amendments on third reading, to S.16. This bill requires insurance policies and health maintenance organizations to pay for hospitalization for at least 48 hours following a mastectomy.

S.486, which enacts the South Carolina Transportation Infrastructure Bank Act, was introduced and referred to the Senate Transportation Committee. The Senate then adopted a motion that, upon the report of the bill by the Transportation Committee, the bill will be committed to the Senate Finance Committee for consideration.

COMMITTEE ACTION

Most committees chose not to meet while the House debated the Fiscal Year 1997-98 budget.

JUDICIARY

The General Laws Subcommittee gave a favorable report with amendment to H.3207 which prohibits drinking games in establishments which sell beer, wine, or other alcoholic

beverages. The amendment proposed by the subcommittee changes the bill's criminal penalty for a violation to the administrative penalty of possible suspension or revocation of alcohol licenses and permits.

BILLS INTRODUCED

AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

H.3590 ARTIFICIAL LIGHTS/GAME ZONE 6 Rep. Gourdine

This bill prohibits the use of artificial lights from a vehicle or water conveyance in Game Zone 6 for the purpose of observing or harassing wildlife.

H.3604 SOLID WASTE MANAGEMENT AND PERMITTING Rep. Sharpe

Current law states that no permit to construct or expand a solid waste management facility within a county or municipality may be issued by the Department of Health and Environmental Control (DHEC) unless the proposed facility or expansion is consistent with local zoning and land use ordinances. This bill states that DHEC must determine the consistency of the proposed facility or expansion with the county or regional solid waste management plan and the state solid waste management plan after consultation with the county or region.

H.3606 SOLID WASTE POLICY AND MANAGEMENT ACT AMENDMENTS Rep. Sharpe

This bill amends the S.C. Solid Waste Policy and Management Act of 1991 by revising several definitions in the act and deleting the fee of ten dollars a ton on solid waste generated out of state and disposed of in this state. The bill also makes changes regarding the duties of the Office of Solid Waste Reduction and provides that the Recycling and Solid Waste Management Trust Fund will fund grants to schools and colleges to establish waste reduction and recycling education programs and demonstration projects.

H.3607 SOLID WASTE ADVISORY COUNCIL Rep. Sharpe

This bill increases the membership of the Solid Waste Advisory Council from sixteen to eighteen and deletes the provision in the code regarding expiration of the existence of the council. The bill also states that the Department of Health and Environmental Control may issue an order requiring compliance with a regulation or bring a civil action for injunctive relief under certain circumstances.

EDUCATION AND PUBLIC WORKS

H.3589 "LAKE MURRAY" LICENSE PLATES Rep. Bauer

This bill provides for the issuance of special commemorative "Lake Murray" license plates. The biennial fee for the plate would be \$50, with \$25 deposited in the State general fund and \$25 transferred to the Lake Murray Tourism and Recreation Association to promote Lake Murray.

H.3594 SCHOOL DISTRICT PROGRAMMING REPORTS Rep. Chellis

This bill relates to the current Education Finance Act requirement that local school boards and School Improvement Councils develop an annual district programming report to the parents and constituents of the school district. This report includes the goals and objectives of the district, strategies implemented to meet the goals and objectives, and an evaluation of progress and outcomes. This bill provides that these reports be provided by December 1 of each year rather than the currently required date of November 15.

JUDICIARY

H.3584 RESTITUTION FOR JUVENILE OFFENSES Rep. Cotty

This bill authorizes judges to order restitution in addition to ordering commitment of a juvenile to the custody of the Department of Juvenile Justice.

H.3585 TORT LIABILITY Rep. Harrison

This bill provides that the South Carolina Tort Claims Act is the exclusive remedy for any tort committed by a government employee acting within the scope of his official duties. The provision is to be liberally construed in favor of limited liability with ambiguity to be resolved in the favor of the government.

H.3586 APPEALS PROCESS Rep. Harrison

This bill establishes a two-tiered system for the state's appellate courts in which the Court of Appeals is charged with the responsibility of deciding most appeals from circuit and family courts. Certain appeals, such as death sentences, challenges to constitutionality, public utility rates, etc. are routed directly to the Supreme Court, as specified in statute. The Supreme Court is positioned to review appeals which involve novel or important issues.

H.3588 CONFIDENTIALITY OF JUVENILE CRIMINAL RECORDS Rep. Sheheen

This bill removes confidentiality requirements on juvenile criminal records in instances where the crime involved, if committed by an adult, would carry a penalty of imprisonment for one year or more. Disclosure of the name, identity, picture, and fingerprints is authorized for a juvenile charged with such a crime. Such records may not be expunged, with certain exceptions.

H.3591 SOUTH CAROLINA PROPERTY RIGHTS ACT Rep. Harrison

This bill provides criteria for when state and local laws and regulations which limit the way in which a property owner may use his land are to be considered a taking which requires compensation.

H.3593 VICTIMS OF TERRORISM Rep. Limbaugh

This bill provides that state residents who are victims of terrorism committed outside the United States may apply for benefits with the Victim's Compensation Fund.

H.3597 INMATE LABOR AND COMPENSATION Rep. Klauber

This bill requires inmates who are able to work to work at least forty hours a week. Inmates convicted of nonviolent offenses or in minimum security detention may be assigned to work on chain gangs. The bill establishes a procedure which the Attorney General may use to secure

reimbursement for inmate care from inmates who have the means to pay. The bill also provides that inmates may watch only educational television programs.

H.3603 CHILD ENDANGERMENT AND ABANDONMENT Rep. Allison

This bill broadens the category of individuals who may be held responsible for child endangerment/abandonment by substituting someone who "is responsible for the care and support of a child" with someone who "resides in the house of a child, or has recurring access to a child, or has been given responsibility to care for a child." The bill also makes it unlawful to place a child in a situation that would likely lead to abandonment.

S.70 JUDICIAL MERIT SELECTION COMMISSION Sen. McConnell

This bill provides that, a judge or justice must have been reviewed by the Judicial Merit Selection Commission within two years in order to be eligible for continued service. Unless the judge or justice is being reviewed at the time of expiration of his term, the commission's review is advisory only and an unfavorable review is not a bar to continued service. In order to be eligible for appointment to service by the Chief Justice, a retired judge or justice must have been found qualified to serve by the commission within four, rather than two, years. The bill also reroutes the appointment process for masters-in-equity such that candidates for vacancies submit applications to the Judicial Merit Selection Commission who submit reports and recommendations to the appropriate legislative delegation. The delegation submits its recommendations to the Governor until such time as a candidate meets with his approval. No candidate who is found to be not qualified by the commission is eligible to serve as a master-in-equity.

S.392 RESTRICTIONS ON WRITE-IN VOTES Senate Judiciary Committee

This bill provides that an individual who is defeated in a primary or ensuing run-off election is ineligible to serve in that office as a result of write-in votes. The State Election Commission is charged with providing notice of this provision at polling places and on absentee ballots.

LABOR, COMMERCE AND INDUSTRY

H.3602 WORKERS' COMPENSATION FOR VOLUNTEER FIREMEN Rep. Sheheen

This bill alters the way in which the average weekly wage of volunteer firemen is calculated for the purpose of determining workers' compensation benefits.

MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS

H.3587 OPTICIANS Rep. Quinn

This bill rewrites the provisions of the code relating to opticians to conform the chapter to the statutory and administrative framework for professional and occupational boards. The bill includes a provision requiring an optician or apprentice to annually attend a minimum of four hours of continuing education courses, and states that an optician holding a contact lens license must obtain one additional hour of continuing education courses or meetings.

WAYS AND MEANS

H.3595 JOINT MUNICIPAL WATER SYSTEMS Rep. Stuart

This bill amends current law concerning joint municipal water systems and sources of revenue available to them. The bill broadens the definition of "revenues" in this section to include all sources of funds which are revenues to the joint system, regardless of the source of the funds, from any other party obligated to the joint system. The bill expands the current provision that certain bonds or other obligations of a joint system must be paid solely from revenues of a joint system, by providing that these obligations may be paid with revenues and other sources of funds which are available to the joint system. The bill allows members of a joint system to prescribe additional procedures and requirements for the issuance of any notes or bonds in the bylaws of the system, and provides that before a joint system may undertake a project which will be financed (in whole or in part) with bond proceeds, approval must be obtained from the governing bodies of system members which would be obligated under contract for payment. Current law provides that such approval must be received from governing bodies of each system member. The bill also provides that any member county or municipality may pledge all or part of any revenues derived as payments in lieu of taxes with respect to a project, so long as these are funds available to the system. A pledge of the full faith, credit or taxing power of any member of the joint system is prohibited.

H.3601 PRIVATE JOB TRAINING REVIEW COMMITTEE Rep. Boan

This bill deletes the Private Job Training Review Committee, an appointed private-sector committee which provides advice on the utilization of short-term adult funding for collaborative skill training utilizing the technical education system and vocational educational system. The funds are used for retraining displaced workers and farmers, for upgrading employees to handle changes in their jobs, and for training the unemployed.

H.3605 PAYMENT OF TAXES WITH DISHONORED/RETURNED CHECK Rep. Sharpe

This bill allows a county treasurer, his agent, employee, or designee to enforce collection (pursuant to current law regarding fraudulent checks) of a check that is returned unpaid or is dishonored for the payment of county or municipal taxes, so long as no person is twice put in jeopardy for the same offense. The bill provides that county or municipal taxes which remain unpaid as a result of a check being dishonored or returned unpaid constitute a lien on the property subject to the tax until the taxes and all penalties, interest and other charges due are paid in full.

H.3608 SC INCOME TAX DEDUCTIONS Rep. Easterday

This bill amends the SC Income Tax Act so as to allow a deduction for individual taxable income for amounts paid for health insurance premiums by self-employed persons to the extent that the cost of these premiums was not deducted on the taxpayer's federal income tax return.

H.3611 SC COMPREHENSIVE INFRASTRUCTURE DEVELOPMENT AND FINANCING ACT Rep. Boan

This bill enacts the *SC Comprehensive Infrastructure Development and Financing Act*, so as to establish a state program and a unit of state government to be called the Division of Regional Development (the Division), created within the SC Budget and Control Board to coordinate infrastructure planning among state, regional, and local units of government; to assist in development of comprehensive regional infrastructure development plans; and to identify and

provide funding and financial assistance for constructing and improving infrastructure. "Infrastructure" is defined in the bill as the basic facilities, services, and installations needed for the functioning of government including, but not limited to, water, sewer, communications systems, highway and transportation. "Infrastructure" as used in this bill does not mean power delivery systems or health planning and delivery systems. The bill delineates the powers, responsibilities, and functions of the Division in fulfilling its mandate of creating a state infrastructure plan, coordinating regional infrastructure development plans, and coordinating state programs and resources that impact or affect infrastructure development.

The bill also creates the State Council for Regional Development, which would assist the Division in the performance of its duties and which would identify funding, programs and decisions that affect infrastructure development, and make recommendations concerning these matters in order that state decision making will be oriented to supporting the creation, development, and effective implementation of state and regional comprehensive infrastructure development plans.

The bill also creates the SC Infrastructure Bank, which would be governed by the Budget and Control Board and administered by the Division. The purpose of the bank would be to provide loans and other financial assistance for implementing state and regional comprehensive infrastructure plans. The bank would be capitalized by federal funds; contributions and donations from public authorities, government units, and private entities; and all monies paid or credit to the bank. Dedicated sources of revenue for capitalization of the bank include an annual contribution set by the board, not to exceed 10% of the state's federal aid highway apportionments; interest earnings on the state highway fund and the economic development account; and one cent a gallon of gasoline tax revenues as currently provided in Section 12-28-2720 of the *Code of Laws of South Carolina, 1976*, which must be deposited by the State Treasurer to the credit of the state highway account of the SC Infrastructure Bank.

The bill requires that every state agency and program that licenses, permits, regulates, or otherwise sanctions activities related to infrastructure development must determine whether a respective government regulatory decision would be consistent with state and regional comprehensive infrastructure development plans.

The bill provides that Regional Councils of Government (the COGs) serve as liaisons between the Division and the political subdivisions of the state, and the COGs shall develop and submit regional comprehensive infrastructure development plans to the Division, and shall assist and coordinate the political subdivisions in the development of these plans. The Regional COGs shall assist the Division in coordinating, developing, and implementing a coordinated and comprehensive infrastructure development plan for the State, utilizing activities which are suggested within, but not limited by, the bill.

The bill establishes review criteria which would determine eligible projects for funding, subject to the review and approval of the Joint Bond Review Committee. The bill requires that the infrastructure bank submit an annual report to the Governor and the General Assembly, and provides for an annual independent audit of the bank.

H.3596 SERVICE CREDIT/SC RETIREMENT SYSTEM Rep. McLeod

This bill increases from 90 to 180 the number of days of a SC Retirement System member's unused sick leave that are added to the credited service of a member otherwise eligible to retire.

FOOTNOTE

The *Legislative Update* is on the Worldwide Web. Visit the South Carolina General Assembly Home Page (WWW.LPITR.STATE.SC.US) and click on the "Quick Find Guide." On the next screen, click on "*Legislative Update*." This will list all of the *Legislative Updates* by date. Click on the date you need.

SUMMARY OF 1997-98 APPROPRIATION BILL AS PASSED BY THE HOUSE

Prepared by the House Ways and Means Committee

Public Education and Special Schools

- ▶ **Education Finance Act** and related fringe benefits funded at over \$1 billion dollars (\$63.2 million additional in FY 1997-98).
- ▶ **Base Student Cost** up 4.5% to \$1,839 (3.2% inflation and 1.3% catchup)
- ▶ **Weighted pupil unit** projection up 8,900 over prior year.
- ▶ **Southeastern Teacher's Salary Average** of \$33,547 (2.43% increase) exceeded by 2.5% recommendation.
- ▶ Implementation of **full day kindergarten** continues with funding of \$30.2 million. Additionally school districts are authorized to use EIA Academic Assistance funds to implement and operate their full day kindergarten programs
- ▶ \$1.8 million to cover school district **1995-96 EFA shortfall**.
- ▶ Increased **fuel costs** and **bus parts** funded with \$1.9 million.
- ▶ **Bus driver salaries** funded at 2.5%.
- ▶ **Instructional materials** (textbooks) funded at \$30.7 million.
- ▶ Funding for "**Hold Harmless**" **fringe benefits** authorized in the amount of \$8.5 million.
- ▶ **New school Board Member orientation** to improved accountability, educational improvement, policy development, district finances, and community relations was funded at a cost of \$10,000.
- ▶ **Technology** funding in excess of \$27.3 million dollars was recommended.
- ▶ Funding to **increase high school diploma requirements** from 20 credits to 24 credits for freshmen students beginning school year 1997-98 was approved in the amount of \$4.2 million.

- ▶ \$3 million was approved for new **Superior Academic Achievement Diploma**. Students who receive this diploma will receive a \$500 scholarship for attendance at a public or private South Carolina institution of higher learning.
- ▶ **Adult Education** budget now exceeds \$10 million.
- ▶ **Competitive Teacher Grants** increased by \$200,000 to \$1,420,000.
- ▶ **National Board Certification funding** (\$2,000 fee and \$2,000 bonus) was approved for successful completion by teachers of the certification process of the National Board.
- ▶ **South Carolina School for the Deaf and Blind** was funded an additional \$1.25 million for a fire safety system and to update equipment and facilities.
- ▶ **John de la Howe** was funded an additional \$129,786 for youth counselors.
- ▶ The **Governor's School for the Arts** was funded an additional \$1 million for operations and equipment.

Higher Education

A total of **\$68 million** was recommended for higher education, which includes the following:

- ▶ **\$18 million** in new dollars, approximately a three percent increase over last year's budget. Of the \$18.5 million, 75% will go to formula funding based on a CHE-approved allocation plan to equalize the percent of the funding that each institution receives (parity). The formula for all institutions is funded at about 71%. The institutions' percent of formula ranges from 65.6% to 79.7%. Approximately \$4.6 million, or 25% of the new money, goes to performance funding which rewards institutions for meeting goals and outcomes as set by the Legislature. This is considered the most ambitious performance funding plan in the nation for higher education institutions.
- ▶ **\$33.7 million** in annualizations for the formula from last year.
- ▶ **Proviso** to require Chem-Nuclear to increase funding above estimated level for scholarships and grants to **\$22 million** in 96-97, **\$23 million** in 97-98, and **\$24 million** in 98-99. (Estimate had been reduced to \$18 million for 96-97 and \$17 million for 97-98 98-99).
- ▶ **\$900,000** to maintain the current level of grants awards by the Higher Education Tuition Grants Commission.
- ▶ **\$2.5 million** match for the Experimental Program to Stimulate Research (EPSCoR) which is used to attract the best scientists and engineers to SC.
- ▶ **\$5 million** for Tech Special Schools - a partnership between business and higher education as well as **\$2 million** for essential equipment needs to train S.C. workers for new and expanding industries.
- ▶ **\$600,000** match for the SC Alliance for Minority Participation (SCAMP).
- ▶ **\$777,500** for the Citadel to create and maintain a coeducational program.
- ▶ **\$1.8 million** for the renovation of the Calhoun Mansion at Clemson.
- ▶ **\$2.5 million** for the USC Sports Arena in Columbia, as well as **\$400,000** for the Law Library to help maintain accreditation, and **\$500,000** for the Institute for Public Affairs.
- ▶ **\$1,000,000** to help complete the renovations of the Sims Science Building at Winthrop.

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- ▶ **\$400,000 for SC Tuition Prepayment Program.**

Health and Human Services

An increase of \$71,669,661 in General Funds is recommended for the eight health and human services agencies assigned to the subcommittee. These funds can be matched with federal funds totaling \$130,006,248.

- ▶ **Vocational Rehabilitation** did not request additional funds, however an additional 60 federally funded positions are included for the Disability Determination Program as recommended by the B&C Board. This program is a contract with the Social Security Administration which has urged the agency to hire these personnel to render timely decisions on these claims.
- ▶ **Department of Health and Human Services** - a total increase of \$39,025,238 is recommended.

All of these funds except for \$4.8 million are for annualizing non-recurring funds, growth in the number of persons covered by the Medicaid program, increases for hospitals and nursing homes as required by state and federal law, and to maintain services at the current level.

These funds will be matched with Medicaid totaling \$91,579,196 for a grand total of \$130,604,434 in state and federal funds for programs under the Cabinet Department of Health and Human Services. Some of the items included are:

\$4.9 million to annualize non-recurring funds received this year.

\$9.4 million for client growth for next year (a 27,182 increase over 600,974 eligible persons). This maintains Medicaid services for AFDC recipients for up to 24 months after employment.

\$4.7 million for hospital rebase which is calculated to be 4% (Medical Care CPI index). State law 44-6-140 and federal law requires hospital rates to be rebased every two years.

\$4.8 million for a change in the match rate to maintain current services for next year.

\$5 million for nursing home cost rebase as required by federal law (Boren Amendment).

\$3 million is recommended for an increase in payments for residential care programs.

\$2 million for "Partners for Healthy Children" in cooperation with several hospitals. This provides health care for children from ages 6 through 18 whose families have income less than 133% of the poverty level.

\$2 million for 181 additional nursing home beds (700 on the waiting list).

\$500,000 for 278 additional community long term care slots (3,500 on the waiting list).

- ▶ **DHEC** - an increase of \$4,350,000 for immunizations and local grants.
- ▶ **Department of Mental Health** - \$4,600,355 for the following:
 - \$1.6 million to annualize funding for two residential programs for mentally ill juveniles.
 - \$500,000 for services for children and adolescents.
 - \$1 million for a pilot project to test the effectiveness of a new class of drugs to treat persons in the community, and to avoid expensive hospitalizations and
 - \$1.5 million for Community Mental Health Centers.
- ▶ **Department of Disabilities and Special Needs** - \$6,259,590 is recommended for:
 - \$1.9 million is recommended to annualize funding for community support programs.
 - \$1.2 million is for a state match change in Medicaid funding.
 - \$2.1 million is to replace a loss of Social Services Block Grant funding.
 - \$470,000 is recommended to respond to most critical situations.
 - \$552,000 is recommended for research equipment.

These funds can be matched with Medicaid funds totaling \$12,550,282.
- ▶ **Department of Alcohol and Other Drug Abuse Services** - \$300,000 is recommended to annualize funding for "The Bridge" program which provides services to adolescents released from DJJ.
- ▶ **Department of Social Services** - \$17,000,000 is recommended.
 - \$2 million to annualize funding of programs for the Family Independence Act.
 - \$12 million to annualize programs for emotionally disturbed children.

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An increase of \$3 million is recommended for adoption subsidy payments and foster care clothing allowances.

- ▶ **Commission for the Blind** - An increase of \$134,478 is recommended for an accounting analyst, data coordinator, special radios for the blind, and contractual services for the development of instructional programs for the blind.

Economic Development, Environment and Natural Resources

- ▶ **Department of Archives and History:** A total increase of \$6,128,252 is recommended. \$5.6 million for the completion of the S.C. History Center. Additional funding is recommended for moving into the S.C. History Center, operating expenses and microfilming historical county records.
- ▶ **S.C. State Library:** The House of Representatives recommends \$663,498 in recurring and non-recurring funds for the S.C. State Library. Of this amount \$173,892 in recurring dollars is recommended to increase per capita aid to county libraries from \$1.35 to \$1.40.
- ▶ **Arts Commission:** An increase of \$540,000 is recommended in recurring and non-recurring funds to support the state's arts and cultural industry. Of these recommended funds, \$60,000 will be used to purchase and equip one new studio van in the Mobile Arts Program.
- ▶ **S.C. State Museum Commission:** The House of Representatives recommends \$115,618 for rental of food service space, public information and marketing and to employ a Curator of Art.
- ▶ **DHEC-EQC:** The House of Representatives recommends \$2,000,000 for beach renourishment. The eroded areas include segments of Hilton Head Island shoreline, all of Hunting Island State Park, northern Sullivan's Island, all of Pawleys Island and several unincorporated public beaches. However, DHEC will select the beach renourishment projects as set forth in Regulation 30-20.
- ▶ **Forestry Commission:** \$175,000 (recurring) is recommended for the Forestry Warden Technician Training Program and \$50,000 (non-recurring) is recommended for field office computer equipment. The H. Cooper Black Field Trial Area base was reduced by \$200,000.
- ▶ **Department of Agriculture:** The House of Representatives recommends \$194,000 for operating expenses, installation of a Local Area Network, and repairs to a farmers market.
- ▶ **Clemson-PSA:** \$2,600,000 non-recurring funds is recommended of which \$2,000,000 is for the Agri-Systems Productivity and Profitability Program, also known as the 2x4 Initiative. \$500,000 is for repairs to deteriorating buildings at the Long Leadership Center.

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- ▶ **Department of Natural Resources:** The House of Representatives recommends \$1,928,250 in recurring and non-recurring funds. \$900,000 is recommended for the replacement of law enforcement vehicles. Other items funded include the Walhalla Fish Hatchery, agency-wide maintenance and the aquatic plan management program.

- ▶ **Parks, Recreation and Tourism:** In recurring funds, reduced Department of Parks, Recreation and Tourism's base by \$1.2 million. PRT now operates on revenues earned, except for certain pass through appropriations. \$25,000 is recommended for U.S. Youth Games and \$50,000 is recommended for Palmetto Trials.

- ▶ **Department of Commerce:** \$1.4 million for economic development is recommended. This funding will aid the Department of Commerce with trade development in foreign markets and assist the agency in restoring part of its advertising budget.

Criminal Justice

- ▶ 2.5% **pay increase** to Chief Justice, Associate Justices, Court of Appeals Judges, Circuit Court Judges, and Family Court Judges effective November 1, 1997
- ▶ **Three new circuit court judges and three new family court judges** to start May 17, 1998
- ▶ **Judicial Circuit State Support for Solicitors** at \$1.93 per capita (same as Governor's recommendation)
- ▶ Auto insurance enforcement fund in **Department of Public Safety** to effectively enforce law as it pertains to uninsured motorists
- ▶ \$3 million recommended for **DMV Computer Upgrade** at the Department of Public Safety
- ▶ Kershaw annualization in **Department of Corrections** of \$15,521,028
- ▶ **Department of Juvenile Justice** annualizations associated with CCA contract, marine wilderness, Upstate Center, and JCO pay total \$17,088,934
- ▶ Part II increasing civil filing fee by \$15 to provide free civil legal assistance to indigent South Carolinians in response to Federal grant reductions and declining interest rates on South Carolina Bar Foundation's Interest on Lawyers Trust Account (IOLTA)
- ▶ Part II allowing Director of **Department of Corrections** to explore various alternatives regarding construction and operations of state correctional facilities
- ▶ Part II providing for the manner in which a retired judge/justice must elect to practice law or to be eligible for appointment by the Chief Justice as a judge/justice in the courts of this State (**Makes only election to practice law irrevocable**)

Transportation/Regulatory

► **Department of Labor, Licensing, and Regulation:**

(1) Part II, Section 2 - Shifts the Fire and Life Safety Division to other funds. The division will now be funded using fifty percent of the revenues from the 1% Fire Insurance Premium Tax. The amount is capped for FY 1997-98 at the level of operating expenditures. This will allow the Fire Academy to continue to support itself using earned revenues, insure that the self-sufficiency of the Academy will not be hindered by budget cuts, and continue the trend of reducing fire deaths through public fire education. This also diminishes the likelihood of fee increases to municipal, county, or volunteer fire departments for essential training.

(2) Part II, Section 29 - Provides \$175,000 in recurring funds (again from the 1% Fire Insurance Premium Tax) for the Department to implement a training, certification, and continuing education program for building codes enforcement officers in light of pending legislation (S. 236) on statewide building codes. The Department must report to the Ways and Means and Senate Finance Committees as to actual costs of the program.

- The **Workers' Compensation Commission** was given \$28,812 to fill a vacant position in their Judicial Department, which will assist the Judicial Department in reviewing and assigning cases within 60 days as required by a new state law enacted in 1996. The committee also approved a proviso allowing the Commission to retain revenue from Self-Insurance Application fees totaling approximately \$15,000 annually to assist with the operation of the Self Insurance Division.

- \$63,500 in non-recurring funds were appropriated to the **Human Affairs Commission** to allow the Commission to install a local area network, which will improve office efficiencies by facilitating the sharing of information among users.

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- ▶ \$105.5 million for **property tax relief** for those with homes valued less than \$100,000. The total relief is increased from \$213.5 million to \$234.8 million for FY 97-98. The \$234.5 will be placed in a trust fund.
- ▶ \$26.8 million for the **Local Government Funding Formula**. This provides a total of \$195.5 million for the Local Government Fund.
- ▶ \$24.7 million for a 2% base **pay increase** with a cap of \$1,000 for state employees effective July 16, 1997, \$13 million to annualize the pay increase given in October of this year (FY 96-97) and \$1.5 million for health and dental premiums for new retirees.
- ▶ \$24.5 million for **Debt Service** which includes an increase of \$5 million and the annualization of \$19.5 million.
- ▶ \$5.3 million provides for the first of a 4 year **phase-in for increasing the maximum depreciation rate** on manufactures' equipment and machinery from 80% to 90%. A trust fund is created.
- ▶ \$3.4 million to maintain the **General Reserve Fund** at 3% of the prior year's actual revenue for a total of \$130.4 million.
- ▶ \$2.2 million to maintain the **Capital Reserve Fund** at 2% of the latest completed fiscal year's actual revenue for a total reserve of \$86.9 million.
- ▶ \$1.4 million for **Homestead Exemption** growth, and placement of the total of \$51.2 million in a trust fund for tax relief.
- ▶ \$2.5 million for the last of a 5 year payment on the **Catawba Indian Settlement**.
- ▶ Funds of \$625,000 are provided to match **Federal Funds for Hurricane Fran** and \$250,000 for counties to revise their property tax bills.
- ▶ \$5 million to complete the **State House renovation project**.
- ▶ \$4.2 million for the **Infrastructure Revolving Loan Fund** and \$2.5 million for **Local Government Grants**.
- ▶ \$2.2 million for the **Election Commission** for the 1998 statewide primaries and the 1997 special election (reapportionment), including \$117,000 for operations.

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- ▶ \$723,500 provides for the matching of Federal funds for the **Adjutant General - Emergency Prep.**
- ▶ \$400,000 for the **Statewide Performance Audit** with a matching requirement for agencies.